**Life After College - Budgeting for Success**

You have just completed 4 years of college at the University of Northern Iowa. You have been looking for a career opportunity and finally received a job offer from John Deere Credit. The job is located in Johnston and you will have a starting salary of **$30,000** a year. You are very excited about the opportunity but this will be the first time you will be paying for your expenses on your own. To make sure you will be financially responsible, you will need to create a budget to help live within your means.

To make sure you have a well constructed budget you will be accounting for the following expense categories. These categories need to reference an actual estimation of a product/service that will be impacting your life living on your own.

Your former Personal Finance teacher Mr. Combs will provide some information on typical costs and you are lucky enough to have found a roommate to help **split the costs** of the following:

**Rent**

**Cable/Internet**

**Water/Sewage**

**Electric/Gas**

As discussed you will be putting together some financial goals you would like to reach as well as maintain during the year. Below is some of the financial information and goals that you have for the year:

*Financial Goals by year end:*

**Maintain a Checking Account Balance** = **$750**

**Savings Balance** - **$4,500** - This amount needs to be reached by the end of the year

**Use the Budget Sheet provided to you in Numbers to help you prepare your budget for the year. Complete the Budget to prepare for the year.**

Your current **Account Balances** are as follows:

**Checking - $546.00**

**Savings - $75.00**

**Finally before you begin your budget, use the worksheet on the second page to help you organize the potential expenses you may have.**

| **Income** | **$ per Month** |
| --- | --- |
| Gross Income | $2,500.00 |
| Net Income (Gross Income x .72 for taxes and other deductions) | $1,800.00 |
| 401(k) - 6% Your Contributions | $108.00 |
| 401(k) - 3% Employer Contributions | $54.00 |

| **Expenses** | **$ per Month** | **Fixed/Variable** |
| --- | --- | --- |
| [Rent](http://www.apartmentfinder.com/) - |  |  |
| [Student Loans](http://bankrate.com) - $17,500 at 4% for 10 years |  |  |
| Cell Phone - ([Verizon](http://www.verizonwireless.com/b2c/plan-information/?page=single), [U.S. Cellular](http://www.uscellular.com/uscellular/plans/showPlans.jsp?type=plans&plan-selector-type=individual), [AT&T](http://www.wireless.att.com/cell-phone-service/cell-phone-plans/individual-cell-phone-plans.jsp?wtSlotClick=1-0060AN-0-2&_requestid=67780), [Sprint](http://shop.sprint.com/mysprint/shop/plan/plan_wall.jsp?INTNAV=ATG:HE:Plans)) |  |  |
| Internet ([Mediacom](http://mediacomcable.com/home.html)/[Century Link](http://www.centurylink.com/) | $35.00 |  |
| Heat/Electricity | $32.50 |  |
| **Water/Sewer** | $20.00 |  |
| Groceries |  |  |
| Gas |  |  |
| Entertainment/Restaurants/Etc |  |  |
| Car Payment |  |  |
| Car and Renter’s Insurance | $65.00 |  |
| Savings | $369.00 |  |
| 1.) |  |  |
| 2.) |  |  |
| 3.) |  |  |

**\*From the expenses above, determine and record your fixed expenses for each month. Enter the data into the Fixed Expenses Table on the spreadsheet.**

**Planned Expenses**

**Apartment Deposit - Split between you and your roommate**

**Car Registration/Taxes - $125 - August**

**Birthday Gifts - $45 - September and October**

**Christmas Gifts - $150 - December**

**4 day Vacation to Florida - $750 - March**